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TAGS: <u>EFIN PGOV PHUM TI</u>
SUBJECT: THE TRAPPINGS OF THE KING - HOW PRESIDENT RAHMON SPENDS HIS MONEY

Classified By: Tom Hushek, Deputy Chief of Mission, U.S. Embassy Dushan be, STATE. REASON: 1.4 (b), (d)

- 11. (C) A tour of the President's biggest show project, the "Palace of the Nation," gave us a chance to see the extent of Rahmon's willingness to spend enormous sums on prestige projects, while his people sit shivering in the dark. Roberto Bertocchini (protect), the project manager for the Italian firm contracted to construct the palace, Rizzani de Eccher, conducted the personal tour of the palace for PolOff. Rizzani de Eccher was also the contractor for the U.S.-funded Afghanistan-Tajikistan bridge.
- 12. (C) After showing us computer generated images of the final appearance of the interior, Mr. Bertocchini walked us through the palace, the largest structure in Dushanbe. In the multi-storey entry area he pointed out where four glassed-in elevators would carry guests up and down. They will have great views of the atrium, with its chandelier, 60 feet high and 30 feet wide hanging in the center. Vast conference rooms repeated over and over as we walked through the palaces six floors; there are more than 100 rooms in all, many with enormous chandeliers, gold trim, and italianate columns. At either end of the 450 foot-long building we admired glassed in winter gardens, overlooking the city from the fourth floor. We saw the President's enormous bedroom, jacuzzi room, private gym and offices.
- 13. (C) The entire building will be decorated in the style of an "Italian villa," said Bertocchini, with 90% of all materials imported from Italy. Parquet floors of the best quality, tiling everywhere, gold trim. The only material from Tajikistan is the structural cement. We asked why there was no sign of Tajik culture or history in the decoration plan. "He likes Italy," Bertocchini said. The interior paint will be from Italy, and will be of "top top quality." We asked what was "top top quality" about the paint; "the price" said Bertocchini, and added that the same went for everything else in the place. Bertocchini said the floors and walls would be covered in 32,000 square feet of carrera marble, wood paneling (again of "top quality,") and gold leaf.

There Goes the Neighborhood

14. (C) We emerged onto the roof terrace, where there will be outdoor bars with great views, looking over a city which is now largely dark and without power or water. Bertocchini pointed out the security perimeter for the complex. It will stretch for three-quarters of a mile along both sides of the

river, occupying much of downtown Dushanbe. The city's popular central park, ostensibly closed for renovation, will in fact be swallowed up as part of the presidential grounds and permanently closed to the public. On the north side a small neighborhood is being bulldozed to make way for the palace grounds. This includes destroying Dushanbe's only synagogue. Bertocchini said that the residents had been offered \$250 each in compensation. There were reportedly about 700 people living in this area; they organized a protest which "the police stopped very quickly." (Note: Although we have not yet been able to investigate the matter fully, some non-governmental legal aid activists have asserted that authorities violated property rights of many of the people affected by the construction. The treatment afforded the Jewish Community shows the degree to which Qafforded the Jewish Community shows the degree to which authorities are willing to violate Tajik law and international principles to satisfy the whims of the President.)

15. (C) We turned to the enormous shining dome in the center of the roof. It's about 80 feet across, made of tungsten and visible for miles. "Cost a fortune" said Bertocchini. Bertocchini wouldn't say exactly how much the dome cost, nor the whole project, but we have heard elsewhere that the total is around \$100 million. We asked whether Tajikistan's ongoing power and water problems had disrupted work, or whether there were any slowdowns in work for financial reasons. Bertocchini said it was quite the opposite; the government paid in advance for each stage of construction, and the project was sixty percent complete. He expected to finish by September 2008, but said he was under pressure to finish by mid-August, so that the building could host the August 25 Shanghai Cooperation Organization Summit. If it isn't finished in time for the summit, "I will have some problems here" Bertocchini said. He didn't elaborate, and we

didn't ask.

## One of a Collection of Houses

16. (C) Looking out from the terrace Mr. Bertocchini pointed out the presidential guest complex across the river, two large mansions completed in the past year. We discussed the status of other presidential residences around the country: a mansion under construction in Khujand, two vacation houses at Iskanderkul, at least one house at Nurek, and four residences or compounds in Dushanbe (including the massive presidential "dacha" complex near the center of town). The president is also building two "dacha" complexes outside Dushanbe. At Pugus, 20 minutes drive north of the city, a Swiss construction firm is working on a palatial residence which spans the Varzob River, reportedly costing \$15 million. At Khorog, in Badakhshan, another "dacha" is going up. Like the Palace of the Nation in Dushanbe, its construction has required that Khorog's unique botanical gardens -- the second highest in the world -- be closed to the public and made a security zone for the President. (Dushanbe's botanical garden is also under threat; it recently come under direct presidential control. It remains open to the public, but has been marred by what many consider tacky "cultural pavilions" the President had built to impress guests at the recent CIS summit. wasn't the only slight to natural preservation in recent times; the government erected a large New Year's tree on the main square of Dushanbe to welcome 2008, and boasted that it was making the occasion more special by cutting down and using a tree which is on Tajikistan's endangered list.)

17. (C) We turned our attention back to the Palace of the Nation. It will have room for hundreds of conference and summit participants, and the president's personal office and staff. But there seemed to be little further use for the place. Summits don't happen every day, and the Dacha complex across town already has large conference facilities. Useful or not, the Palace of the Nation makes the president happy. While the power crisis continues, and the government diverts

more resources to the failed cotton sector, he is closely following progress on this little gem. Bertocchini said Rahmon calls him often, including three times in the preceding ten days, to discuss construction and details of decoration.

JACOBSON